

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 6492 / December 4, 2023

Admin. Proc. File No. 3-19617

In the Matter of
RANDALL S. GOULDING

ORDER DISMISSING PROCEEDING

On December 13, 2019, the Securities and Exchange Commission issued an order instituting administrative proceedings (“OIP”) against Randall S. Goulding pursuant to Section 203(f) of the Investment Advisers Act of 1940.¹ The OIP alleged that, on November 12, 2019, a federal district court permanently enjoined Goulding from violating Advisers Act Sections 206(1), 206(2), and 206(4), and Rule 206(4)-8 thereunder, and ordered Goulding to pay disgorgement and a civil penalty.² The Commission instituted these proceedings to determine whether the allegations are true and what, if any, remedial action is appropriate in the public interest against Goulding.³

While this proceeding was pending, the Seventh Circuit Court of Appeals issued an opinion affirming the district court’s findings of liability and the imposition of financial penalties and disgorgement, but holding that the district court’s injunction “could and should have forbidden with greater specificity what Goulding must not do.”⁴ Consequently, the Seventh Circuit vacated the injunction and remanded for the district court to issue a new injunction consistent with its opinion.⁵ In December 2022, the district court entered a new injunction against Goulding.⁶

¹ *Randall S. Goulding*, Advisers Act Release No. 5417, 2019 WL 6827197 (Dec. 13, 2019); *see also* 15 U.S.C. § 80b-3(f).

² *Goulding*, 2019 WL 6827197, at *1; *see also* 15 U.S.C. § 80b-6(1), (2), (4); 17 C.F.R. § 275.206(4)-8; Final Judgment as to Defendant Randall Goulding, *SEC v. Nutmeg Grp., LLC*, Case No. 09-CV-1775 (N.D. Ill. Nov. 12, 2019), ECF No. 1094.

³ *Goulding*, 2019 WL 6827197, at *2.

⁴ *SEC v. Goulding*, 40 F.4th 558, 563 (7th Cir. 2022).

⁵ *Id.*

⁶ Order of Permanent Injunctive Relief Against Defendant Randall Goulding, *SEC v. Goulding*, Case No. 09-CV-1775 (N.D. Ill. Dec. 20, 2022), ECF No. 1162 (enjoining Goulding

On September 13, 2023, we ordered the parties to file briefs addressing the effect, if any, that the court's vacating the injunction cited in the OIP had on this proceeding's continued viability.⁷ The Division of Enforcement responded that it "has determined not to seek leave to amend its existing OIP or to seek authorization to initiate a new administrative proceeding." The Division instead requests that this proceeding be dismissed. Goulding did not respond to either the Commission's September 2023 order or the Division's subsequent brief. Under the circumstances, it appears appropriate to grant the Division's unopposed motion and dismiss the proceeding as a matter of discretion.⁸

Accordingly, IT IS ORDERED that this proceeding is dismissed.

By the Commission.

Vanessa A. Countryman
Secretary

from "(1) buying, selling or trading securities on behalf of an investment adviser or pooled investment vehicle; (2) managing securities investors for, or providing investment advice to, any person or entity . . . for compensation; and (3) providing consulting, valuation, compliance or other investment-related services to an investment adviser or pooled investment vehicle").

⁷ *Randall S. Goulding*, Advisers Act Release No. 6417, 2023 WL 5956339 (Sept. 13, 2023).

⁸ *See, e.g., Lee C. Schlesinger*, Exchange Act Release No. 96372, 2022 WL 17100689, at *1 (Nov. 21, 2022) (granting joint motion to dismiss); *Cliffe R. Bodden*, Exchange Act Release No. 90283, 2020 WL 6381302, at *1 (Oct. 29, 2020) (granting unopposed motion to dismiss).